

Before the
Federal Communications Commission
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In re Applications of)	MM Docket No. 87-119
)	
BREEZE BROADCASTING)	File No. BPH-840503IC
COMPANY, LTD.)	
)	
MARANATHA BROADCASTING)	File No. BPH-850712ME
COMPANY, INC.)	
)	
J. MCCARTHY MILLER)	File No. BPH-850712NT
)	
For Construction Permit for)	
New FM Station, Channel 291A,)	
Gulf Breeze, Florida)	
)	

To: The Commission

AMENDED JOINT REQUEST FOR APPROVAL OF AGREEMENTS

Maranatha Broadcasting Company, Inc. ("MBC"), Breeze Broadcasting Company, Ltd. ("Breeze"), and J. McCarthy Miller ("Miller"), mutually exclusive applicants for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida, through their counsel and in response to the FCC's *Memorandum Opinion and Order*, FCC 98-286, released November 6, 1998 (the "*Decision*"), and pursuant to the FCC's decision, announced in the *Notice of Proposed Rule Making* in MM Docket No. 97-234, 12 FCC Rcd 22363 (1997) (released November 26, 1997), to waive certain of its rules relating to the settlement of comparative hearings (the "*Waiver Decision*"), and Section 73.3525 of the Rules, hereby submit this Amended Joint Request for Approval of agreements among the parties which would finally resolve this proceeding after more than fourteen years.

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List A B C D E

Previously, MBC and Breeze entered into a settlement agreement dated as of December 18, 1997, and pursuant to that settlement agreement an operating agreement dated December 23, 1997, to create a joint venture between them to hold the Gulf Breeze construction permit and construct and operate the station. These agreements were submitted to the FCC, with a Joint Request for Approval of Agreement, on December 29, 1997. That request was premised and conditioned on the FCC affirming, on review, the conclusion of the FCC's former Review Board in *Breeze Broadcasting Company, Ltd.*, 8 FCC Rcd 1835, 1840 ¶ 25 (Rev. Bd. 1993), 8 FCC Rcd 5578 ¶ 4 (Rev. Bd. 1993), that Miller was not qualified to receive a grant of the construction permit and denying Miller's application.

In the *Decision*, however, the FCC reversed the Review Board's findings as to Miller's qualifications and denied MBC's and Breeze's request for approval of their settlement agreement. Notwithstanding that denial, the FCC in Note 6 to the *Decision* invited the Gulf Breeze applicants to file an amended settlement request:

If the parties to this proceeding choose to amend the pending settlement agreement within the period before its dismissal becomes final, we would, for the purposes of 47 U.S.C. § 309(l)(3), treat such an amended agreement as having been filed on December 29, 1997. The parties should file any such amended agreement within 30 days after the release date of this proceeding.

The references to December 29, 1997, and Section 309(l)(3) of the Communications Act, imply that the FCC would treat such an amended request in accordance with the terms of the *Waiver Decision*, which accords with the Congress's instruction to the FCC, in granting authority to resolve mutually exclusive broadcast applications by a system of competitive bidding, to waive FCC rules regarding settlements between mutually exclusive applicants if appropriate to encourage settlements of applications filed on or before July 1, 1997.

On December 3, 1998, believing that the parties were on the verge of successfully negotiating a definitive settlement, counsel for Miller filed a motion with the FCC to extend the deadline implicit in Footnote 6 of the *Decision* to and including December 11, 1998. The motion represented that Breeze and MBC had consented to the extension and that the Mass Media Bureau would not oppose the request. On Friday, December 4, 1998, the FCC's Associate General Counsel, Adjudication Division, advised counsel for Miller and MBC, by telephone, that Miller's motion would be granted, although no formal ruling would be issued at that time.¹

Settlement Agreements and Supporting Documentation

Pursuant to Footnote 6 of the *Decision* and in reliance on the understanding of the parties that the deadline for submitting an amended settlement approval request has been extended, MBC has concluded separate agreements, as of December 8, 1998, with Miller and Breeze providing that, subject to FCC approval and the grant of MBC's application, in exchange for consideration which is set forth in detail in the settlement agreements and the attached declarations, Miller and Breeze will agree to the dismissal of their applications for the Gulf Breeze construction permit. The settlement agreements are attached to this Amended Joint Request for Approval of Agreements.

Also attached, pursuant to Section 73.3525 of the Rules, are declarations by the principals of the three applicants specifying the consideration agreed to for the dismissal of the Breeze and Miller applications and to the further effect that (1) these are the only agreements between the parties

¹ Because the FCC was unable, as part of its extension of the deadline for filing an amended settlement approval request, to extend the date by which an appeal of its decision was required, by statute, to be filed, Breeze, on December 7, 1998, filed a Notice of Appeal of the *Decision* with the U.S. Court of Appeals for the District of Columbia Circuit. Breeze hereby represents that, not later than the day after the date on which the FCC's order approving this settlement approval request becomes final, nonappealable and no longer subject to review, it will voluntarily request dismissal of that appeal, with prejudice.

in respect to their applications; (2) except as set forth in these agreements, there is no agreement between or among them for the payment, or promise of payment, of any sum of money or other valuable consideration for the dismissal of the Miller and Breeze applications; (3) the parties' respective applications were not filed for the purpose of entering into a settlement agreement; and (4) the public interest will be served by the approval of this request, the dismissal of the Miller and Breeze applications, and the grant of the MBC application, because the FCC's approval will remove uncertainty, conserve the resources of the parties and the FCC, and speed the implementation of a first FM broadcast service licensed to Gulf Breeze, Florida.²

Conditions to the Amended Joint Request for Approval of Agreements

The parties' request for approval of the attached settlement agreements is subject to the following conditions:

1. **The Waiver Decision.** The FCC must find that this Amended Joint Request for Approval of Agreements is subject to the terms of the *Waiver Decision* and, if necessary, waive any limitations on the amount of any payment to an applicant in exchange for agreement to the dismissal of its application. If the FCC determines that such waivers are not contemplated by Footnote 6 of the *Decision*, the parties ask the FCC to give them notice of such determination and an opportunity to further amend their settlement approval request to provide documentation, if available, that these agreements are in full compliance with the rules.

2. **Dismissal of Applications.** The FCC must dismiss the Breeze and Miller applications.

² The Declaration of William H. Phillips, Breeze's General Partner, attached hereto is a facsimile transmission of a document executed by Mr. Phillips. The original has been forwarded to Breeze's counsel and will be filed with the FCC when it is received.

3. **Grant of MBC's Application.** The FCC must grant MBC's application. Because of the length of this proceeding, and because in the course of this proceeding the FCC approved the substitution of Channel 291A for Channel 237A, it may be necessary for MBC to amend the technical portion of its application. This amendment, if required, will be filed as soon as possible, to avoid interfering with the prompt, orderly consideration of this Amended Joint Request for Approval of Agreements.

The Public Interest.

One of the subject applications was filed in 1984, the others in 1985. The case has been litigated through three hearings before an Administrative Law Judge, two decisions by the former Review Board, and extensive briefs before the FCC. If this Amended Joint Request for Approval of Agreements is not approved, there will be further litigation before, at a minimum, the U.S. Court of Appeals for the District of Columbia Circuit. Approval of these settlement agreements will end the uncertainty of further litigation and conserve the resources of the parties and the FCC. Of at least equal importance, approval of this request and grant of MBC's application will speed the implementation of new broadcast service at Gulf Breeze, which has been delayed since the FCC first found the need for such service when it made the channel allotment to Gulf Breeze more than fourteen years ago.

Conclusion

For the foregoing reasons, the FCC should (1) approve the attached settlement agreements between MBC and Miller and MBC and Breeze; (2) dismiss the Miller and Breeze applications, and

(3) grant MBC's application for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida.

Respectfully submitted,

MARANATHA BROADCASTING
COMPANY, INC.

By 

J. Geoffrey Bentley

J. Geoffrey Bentley, P.C.
BENTLEY LAW OFFICE
P.O. Box 807
Herndon, Virginia 20171-0807
(703)793-5207

Its Attorney

BREEZE BROADCASTING COMPANY,
LTD.

By 

Barry D. Wood
Paul D. Brown

Wood, Maines & Brown, Chartered
1827 Jefferson Place, N.W.
Washington, D.C. 20036
(202)293-5333

Its Attorneys

J. MCCARTHY MILLER

By Donald J. Evans *jd*
Donald J. Evans

Donelan Cleary Wood & Maser, L.P
1100 New York Ave., N.W., Suite 750
Washington, D.C. 20005
(202)371-9500

His Attorney

December 11, 1998

SETTLEMENT AGREEMENT

AGREEMENT by and between Maranatha Broadcasting Company, Inc. ("MBC") and Breeze Broadcasting Company, Ltd. ("Breeze") (collectively, the "Parties").

WHEREAS both parties, together with J. McCarthy Miller ("Miller"), are applicants before the Federal Communications Commission (the "FCC") for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida (the construction permit being hereafter referred to as the "Station" and the proceedings before the FCC concerning the applications being referred to as the "Proceedings"); and

WHEREAS the Parties' applications, and that of Miller, are mutually exclusive, in that only one of the applications may be granted; and

WHEREAS MBC and Breeze are parties to a settlement agreement dated as of December 18, 1997, and an Operating Agreement dated December 23, 1997, whereby MBC and Breeze agreed, subject to FCC approval of the settlement agreement (including affirmance of the finding of the FCC's Review Board that Miller was not qualified to receive the construction permit and Miller's application should be dismissed) to form a joint venture called Scenic Broadcasting, to receive and hold the construction permit and construct and operate the Station; and

WHEREAS the FCC, in a Memorandum Opinion and Order, FCC 98-286, released November 6, 1998, reversed the Review Board's disqualification of Miller and denied MBC's and Breeze's Joint Request for Approval of the settlement agreement (the "Decision"); and

WHEREAS, the FCC, in denying the request for approval of the settlement between MBC and Breeze, provided that any amended settlement request, if filed within 30 days from the release

of the Decision, would be treated as if the amended agreement had been filed on December 29, 1997 and, implicitly, in accordance with the Rules of the FCC as those rules were in effect on that date; and

WHEREAS, as of December 29, 1997, the FCC had agreed to waive, for any settlement among mutually exclusive applicants for a broadcast frequency which disposed of all pending mutually exclusive applications, certain of its rules relating to settlements, including the rule limiting the amount of payments to applicants in consideration of an agreement for dismissal of their applications, and policies and rules prohibiting the introduction or substitution of any entity not previously a party to the proceeding for the purpose of participating in a settlement; and

WHEREAS the FCC, by its Associate General Counsel, has extended the deadline for amending the previous settlement to and including December 11, 1998; and

WHEREAS the Parties believe that a settlement of their competing applications is in the interest of the public and all of the parties to the Proceedings, in that it would remove uncertainty, conserve resources of the parties and the FCC, and lead to the speedier implementation of a new FM broadcast service at Gulf Breeze;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants hereinafter set forth, the Parties do hereby agree as follows:

1. **Dismissal of Applications.**

Subject to the conditions set forth herein and the approval of this Settlement Agreement by the FCC, Breeze agrees to the dismissal of its application for a construction permit for a new FM broadcast station at Gulf Breeze, Florida. In return for such dismissal, MBC agrees to pay Breeze the sum of \$333,333.33 on or before the due date for such payment and by the payment method described in Paragraph 5 of this Settlement Agreement. In addition, MBC agrees to pay one half

(\$20,000.00) of Breeze's obligation under a settlement agreement with Gulf Breeze Broadcasting Company (the "GBBC Agreement"), at the time and in the manner specified in the GBBC Agreement.

2. Request for FCC Approval.

Within five (5) days after the execution of this Settlement Agreement by both Parties, and subject to the execution of an agreement between MBC and Miller for the dismissal of Miller's application for a construction permit and not later than Friday, December 11, 1998, all of the parties to the Proceedings shall file a Joint Request for Approval of this Settlement Agreement with the FCC, together with such documents as are customarily necessary and/or appropriate to obtain such approval. Breeze specifically acknowledges and agrees that this Settlement Agreement is expressly conditioned upon the successful negotiation and execution, by not later than 11:59 p.m., CST, December 10, 1998, of an agreement with Miller for the dismissal of the Miller application. The Joint Request shall request (1) approval of this Settlement Agreement, (2) dismissal of the Breeze and Miller applications, and (3) grant of the MBC application (if and as amended), each of which shall be contingent upon FCC approval of the two other requests. In this connection, Breeze agrees that (1) MBC may amend the technical portion of its application to specify the transmitter sites and facilities specified in either of the Breeze or Miller applications and (2) the approval of any such technical amendment, or any other amendment MBC deems necessary or appropriate to secure the approval of or to carry out this Settlement Agreement, shall be subsumed in the Joint Request for Approval.

3. Cooperation of the Parties.

The Parties agree to vigorously support and defend the Joint Request and do all things necessary and appropriate to obtain approval thereof. The Parties further agree that none of them

will do or permit to be done anything which would delay or impede the approval of this Settlement Agreement, the acceptance of any amendments to MBC's application, or the grant of MBC's application.

4. Escrow Account.

Within three (3) business days after this Settlement Agreement becomes effective (i.e., the date when settlement agreements have been executed by all parties to the Proceedings), MBC will deposit the sum of \$100,000.00 in an Escrow Account at Southern Financial Bank, Herndon, Virginia, to be held by counsel for the Parties as Joint Escrow Agents in accordance with the Escrow Agreement attached hereto. The funds thus deposited shall remain in escrow, with interest thereon accruing to the benefit of MBC, until paid to Breeze in accordance with this Settlement Agreement or until this Settlement Agreement is otherwise terminated. If MBC fails to make the required deposit, Breeze may terminate this agreement.

5. Payment Procedures.

The payment contemplated by Paragraph 1 of this Settlement Agreement shall be made by bank cashier's check or wire transfer, in accordance with instructions given by Breeze, within ten (10) business days after the FCC's order approving this Settlement Agreement, dismissing the Breeze and Miller applications, and granting MBC's application shall have become final, meaning that no petition for reconsideration, application for review or appeal has been filed, and the time for filing such petitions, applications for review or appeals has expired.

6. Entire Agreement.

This Settlement Agreement constitutes the entire understanding among the Parties, and no other consideration, action or forbearance is contemplated or relied on by them. This Settlement Agreement incorporates and supersedes any and all agreements, whether oral or written, among the named Parties, including the Operating Agreement entered into pursuant to the previous settlement agreement between MBC and Breeze, and may be amended only by a further written instrument executed by both Parties.

7. Assignment; Benefit.

This Settlement Agreement shall inure to the benefit of and be binding upon the Parties, their successors and assigns. MBC may assign its rights under this Settlement Agreement and, while such assignment shall not relieve MBC of any liability under this Agreement, Breeze agrees to accept performance of this Settlement Agreement by any such assignee as performance by MBC.

8. Termination.

(a) If, by 11:55 p.m. CST, Thursday, December 10, 1998, MBC shall not have entered into a binding and definitive written agreement with Miller for the dismissal of the Miller application, MBC shall notify Breeze of the the failure to conclude such an agreement and, thereafter, either party to this agreement, not being then in default under any of the provisions hereof, may, within ten (10) days from the date of such notice, terminate this agreement by written notice to the other party and neither party shall thereafter have any obligation to the other under this Agreement.

(b) If the FCC shall not have approved this Settlement Agreement, dismissed the Breeze and Miller applications, and granted MBC's application within six (6) months from the effective date of this Settlement Agreement, either Breeze or MBC or its assignee shall have the right to terminate

this agreement and, upon such termination, MBC shall be entitled to receive all funds held in escrow pursuant to this agreement and the Escrow Agreement.

9. **Counterparts.**

This Settlement Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

10. **Notices.**

Any notices required by this Settlement Agreement shall be effective if sent by certified mail, return receipt requested, as follows:

If to MBC:

Richard C. Dean, President
Maranatha Broadcasting Company, Inc.
300 East Rock Road
Allentown, PA 18103

cc: J. Geoffrey Bentley
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

If to Breeze:

Breeze Broadcasting Company, Ltd.
c/o William H. Phillips, General Partner
19 Caisson Terrace
Spanish Fort, AL 36527

cc: Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place
Washington, D.C. 20036

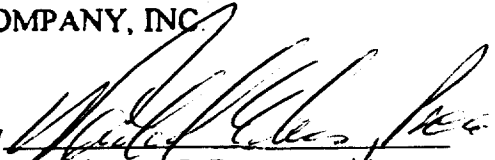
11. Choice of Law.

This Settlement Agreement shall be interpreted in accordance with the law of Virginia, including its law with respect to conflicts of law, and any action to enforce or interpret the provisions of this Settlement Agreement shall be brought exclusively in the courts of Fairfax County, Virginia.

IN WITNESS WHEREOF, The Parties have set their hands and seals.

MARANATHA BROADCASTING
COMPANY, INC.

By


Richard C. Dean, President

Date: 12-8-98

BREEZE BROADCASTING COMPANY,
LTD.

By

William H. Phillips, General Partner

Date: _____

11. Choice of Law.

This Settlement Agreement shall be interpreted in accordance with the law of Pennsylvania, including its law with respect to conflicts of law, and any action to enforce or interpret the provisions of this Settlement Agreement shall be brought exclusively in the courts of Lehigh County, Pennsylvania.

IN WITNESS WHEREOF, The Parties have set their hands and seals.

MARANATHA BROADCASTING
COMPANY, INC.

By _____
Richard C. Dean, President

Date: _____

BREEZE BROADCASTING COMPANY,
LTD.

By W. H. Phillips
William H. Phillips, General Partner

Date: 12/04/98

ESCROW AGREEMENT

This ESCROW AGREEMENT, effective December __, 1998, is made by and among:

SELLER: Breeze Broadcasting Company, Ltd.
ADDRESS: c/o William H. Phillips, General Partner
19 Caisson Terrace
Spanish Fort, AL 36527

BUYER: Maranatha Broadcasting Company, Inc.
ADDRESS: 300 East Rock Road
Allentown, PA 18103

ESCROW AGENTS: Barry D. Wood, Esq., and J. Geoffrey Bentley,
P.C.

ADDRESS: Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place, N.W.
Washington, D.C. 20036

and

J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

WITNESSETH:

WHEREAS, Buyer and Seller have entered into a Settlement Agreement (hereinafter the "Agreement"), of even date herewith, with respect to the settlement of the proceeding before the Federal Communications Commission ("FCC") concerning their respective mutually exclusive applications for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida, and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Agreement;

NOW, THEREFORE, in consideration of the premises, promises and mutual covenants herein, the parties hereby agree as follows:

1. **Deposit of Escrow Funds.** Concurrent with the execution of this Escrow Agreement, Buyer has delivered to the Escrow Agents the sum of One Hundred Thousand Dollars (\$100,000). Such sum is referred to hereinafter as the "Deposit."

2. **Investment of Escrow Fund.** The Escrow Agents shall invest and reinvest the Deposit in an interest-bearing, federally-insured account at Southern Financial Bank, in Herndon, Virginia. The Escrow Agents shall hold the Deposit, together with all interest accumulated thereon and proceeds therefrom, and dispose of the same as hereinafter provided. Buyer and Seller acknowledge that FDIC insurance is limited to One Hundred Thousand Dollars (\$100,000). Buyer and Seller further acknowledge that J. Geoffrey Bentley, P.C. is counsel to Buyer and that Barry D. Wood is counsel to Seller in connection with the FCC proceedings that are the subject of the Settlement Agreement and each agrees that in the event of a controversy as described in Paragraph 4 hereof each of the Escrow Agents may continue to represent his client in respect to (1) the Settlement Agreement; (2) any dispute under this Agreement or the Settlement Agreement, and/or (3) any further proceedings before the FCC concerning the parties' applications.

3. **Disposition of Escrow Funds.** The Escrow Agents shall distribute and dispose of the escrow funds as follows:

(a) In the event the Settlement Agreement is approved by the FCC in the manner contemplated in the Settlement Agreement, the principal amount of the Deposit shall be paid over to the

Seller in accordance with Paragraph 5 of the Settlement Agreement. In such event, all interest earned and accumulated thereon and proceeds therefrom shall be paid over to Buyer.

(b) In the event the Settlement Agreement is not approved by the FCC as contemplated in the Settlement Agreement because of a termination of the Settlement Agreement under the provisions of Paragraph 8 thereof, then the principal of the Deposit shall be paid over to Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(c) In all other events, the Deposit and all interest earned thereon shall be dispersed to Buyer and Seller in accordance with the joint written instructions of Buyer and Seller.

(d) If any provision of this paragraph with respect to the disposition of the Deposit is in conflict with any provision of the Settlement Agreement with respect to such disposition, then such provision in the Settlement Agreement shall prevail.

4. **Controversies with Respect to Escrow.** The Escrow Agents shall discharge their duties to dispose of the Deposit in accordance with the provisions of paragraph 3 above upon the joint written instructions of Seller and Buyer or their duly designated representatives. If a controversy shall exist between Buyer and Seller as to the correct disposition of the Deposit and the Escrow Agents either have not received joint written instructions from Seller and Buyer or have received conflicting demands with respect to the disposition of the Deposit, the Escrow Agents may (i) continue to hold the Deposit and the income earned or accrued thereon until the Escrow Agents' first receipt of a certified copy of an arbitrator's award pursuant to paragraph 5 hereof or a final order entered by a court of competent jurisdiction enforcing the arbitrator's ruling as to the disposition of the Deposit and the income earned thereon, or (ii) deposit the Deposit with a court of competent jurisdiction by the filing of an interpleader action. Buyer and Seller agree each to pay one half of the Escrow Agents' costs incurred in connection

with such action, including reasonable attorney's fees, which the Escrow Agents may expend or incur in any such interpleader suit, the amount of such costs to be fixed and judgment therefore to be rendered by the court in such suit. Upon the filing of the interpleader action and the payment of the Deposit and all interest earned thereon into the registry of the court, the Escrow Agents shall be fully released and discharged from all obligations imposed on them in this Agreement.

5. **Concerning Binding Arbitration.** In the event of any dispute, claim, or controversy between the parties to this Agreement with respect to or arising out of this Agreement, it is agreed that such dispute, claim, or controversy shall be submitted to binding arbitration in the State of Virginia under such rules, guidelines, and procedures as shall be established by mutual agreement among the parties or, if the parties are unable to agree on rules, guidelines, and procedures within five (5) days of either the Buyer or Seller giving notice of intention to arbitrate a matter, then the arbitration shall proceed under the commercial rules then prevailing of the American Arbitration Association except that the parties shall have the right to conduct all discovery available to parties in a civil action as provided in the Federal Rules of Civil Procedure with the exception that the time limits for such discovery shall be determined by the arbitrator. The parties agree that the arbitration shall not include any award for punitive damages and that no judgment shall be entered by the arbitrator concerning punitive damages. In the event of a dispute over the entitlement of Buyer or Seller to the Deposit, the prevailing party's costs and expenses incurred in connection with such dispute (including, but not limited to, reasonable attorneys' fees and arbitrator's fees) shall be borne by the non-prevailing party. The decision of the arbitrator shall be final and binding on all parties hereto, and shall not be subject to judicial review, provided, however, that any award or determination rendered by the arbitrator may be entered or enforced in any court of competent jurisdiction.

6. Concerning the Escrow Agents. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agents:

(a) Except as otherwise provided in this agreement, any fees for services rendered by the Escrow Agents in the performance of their duties under this agreement shall be borne by the party for whom the Escrow Agent serves as counsel. The Escrow Agents shall be reimbursed for all reasonable expenses, disbursements and advancements incurred or made by the Escrow Agents in performance of their duties hereunder; one half of any such expenses, disbursements and advances shall be paid by Buyer and one half by Seller.

(b) The Escrow Agents may resign and be discharged from their duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after the giving of such notice. If the parties hereto are unable to agree upon a successor escrow agent within thirty (30) days after such notice, the Escrow Agents shall be authorized to appoint their successor. The Escrow Agents shall continue to serve until their successor accepts the escrow by written notice to the parties hereto and the Escrow Agents deposit the escrow fund with such successor escrow agent.

(c) The Escrow Agents undertake to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature believed by them to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agents shall have no responsibility for

the contents of any writing contemplated herein and may rely without any liability upon the contents thereof.

(d) The Escrow Agents shall not be liable for any action taken or omitted by them in good faith and believed by them to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by them in good faith, or in accordance with advice of counsel and shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by their own misconduct or gross negligence.

(e) Buyer and Seller agree to indemnify the Escrow Agents and hold them harmless against any and all liabilities incurred by them hereunder as a consequence of such party's action, and Buyer and Seller agree jointly to indemnify the Escrow Agents and hold them harmless against any and all liabilities incurred by them hereunder which are not a consequence of any party's actions, except in the case of liabilities incurred by the Escrow Agents resulting from their own misconduct or gross negligence.

(f) The Escrow Agents act hereunder as a depository only, and are not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash or security deposited with them.

7. Miscellaneous.

(a) This Escrow Agreement shall be construed by and governed in accordance with the substantive law of the State of Virginia, including its law with respect to conflicts of law, and any action to enforce or interpret the provisions of this Settlement Agreement shall be brought exclusively in the courts of Fairfax County, Virginia.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) All notices, requests, demands and other communication hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, return receipt requested) as follows:

If to Buyer: Richard C. Dean
President
Maranatha Broadcasting Company, Inc.
300 East Rock Road
Allentown, PA 18103

with a copy (which shall not constitute notice) to:

J. Geoffrey Bentley, Esq.
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

If to Seller: Breeze Broadcasting Company, Ltd.
c/o William H. Phillips, General Partner
19 Caisson Terrace
Spanish Fort, AL 36527

with a copy (which shall not constitute notice) to:

Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place, N.W.
Washington, D.C. 20036

If to Escrow Agents: Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place, N.W.
Washington, D.C. 20036

and

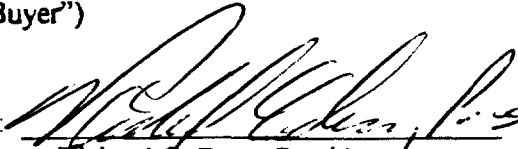
J. Geoffrey Bentley, Esq.
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172

or to such other addresses as any party may have furnished to the other in writing, in accordance herewith.

8. **Termination.** This Escrow Agreement shall automatically terminate upon the distribution of the Deposit in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

MARANATHA BROADCASTING COMPANY, INC.
("Buyer")

By: 
Richard C. Dean, President

BREEZE BROADCASTING COMPANY, LTD.
("Seller")

By William H. Phillips, General Partner

J. GEOFFREY BENTLEY, P.C. ("Escrow Agent")

By _____
J. Geoffrey Bentley, President

BARRY D. WOOD ("Escrow Agent")

or to such other addresses as any party may have furnished to the other in writing, in accordance herewith.

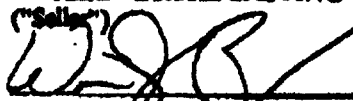
2. **Termination.** This Escrow Agreement shall automatically terminate upon the distribution of the Deposit in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

MARANATHA BROADCASTING COMPANY, INC.
("Buyer")

By: _____
Richard C. Dean, President

BREEZE BROADCASTING COMPANY, LTD.
("Seller")


By William H. Phillips, General Partner

J. GEOFFREY BENTLEY, P.C. ("Escrow Agent")

By _____
J. Geoffrey Bentley, President

BARRY D. WOOD ("Escrow Agent")

SUPPLEMENTAL SETTLEMENT AGREEMENT

AGREEMENT by and between Maranatha Broadcasting Company, Inc. ("MBC") and J. McCarthy Miller ("Miller") (collectively, the "Parties").

WHEREAS both parties, together with Breeze Broadcasting Company, Ltd. ("Breeze"), are applicants before the Federal Communications Commission (the "FCC") for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida (the construction permit being hereafter referred to as the "Station" and the proceedings before the FCC concerning the applications being referred to as the "Proceedings"); and

WHEREAS the Parties' applications, and that of Breeze, are mutually exclusive, in that only one of the applications may be granted; and

WHEREAS MBC and Breeze are parties to a settlement agreement dated as of December 18, 1997, and an Operating Agreement dated December 23, 1997, whereby MBC and Breeze agreed, subject to FCC approval of the settlement agreement (including affirmance of the finding of the FCC's Review Board that Miller was not qualified to receive the construction permit and Miller's application should be dismissed) to form a joint venture called Scenic Broadcasting, to receive and hold the construction permit and construct and operate the Station, and filed a Joint Request for Approval of the settlement agreement with the FCC on December 29, 1997; and

WHEREAS the FCC, in a Memorandum Opinion and Order, FCC 98-286, released November 6, 1998, reversed the Review Board's disqualification of Miller and denied MBC's and Breeze's Joint Request for Approval of the settlement agreement (the "Decision"); and

WHEREAS the FCC, in denying the request for approval of the settlement between MBC and Breeze, provided that any amended settlement request, if filed within 30 days from the release of the

of the Decision, would be treated as if the amended agreement had been filed on December 29, 1997 and, implicitly, in accordance with the Rules of the FCC as those rules were in effect on that date; and

WHEREAS, as of December 29, 1997, the FCC had agreed to waive, for any settlement among mutually exclusive applicants for a broadcast frequency which disposed of all pending mutually exclusive applications, certain of its rules relating to settlements, including the rule limiting the amount of payments to applicants in consideration of an agreement for dismissal of their applications, and policies and rules prohibiting the introduction or substitution of any entity not previously a party to the proceeding for the purpose of participating in a settlement; and

WHEREAS the FCC, by its Associate General Counsel, has extended the deadline for amending the previous settlement to and including December 11, 1998; and

WHEREAS the Parties believe that a settlement of their competing applications is in the interest of the public and all of the parties to the Proceedings, in that it would remove uncertainty, conserve resources of the parties and the FCC, and lead to the speedier implementation of a new FM broadcast service at Gulf Breeze;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants hereinafter set forth, the Parties do hereby agree as follows:

1. **Dismissal of Applications.**

Subject to the conditions set forth herein and the approval of this Settlement Agreement by the FCC, Breeze agrees to the dismissal of its application for a construction permit for a new FM broadcast station at Gulf Breeze, Florida. In return for such dismissal, MBC agrees to pay Breeze the sum of \$333,333.33 on or before the due date for such payment and by the payment method described in Paragraph 5 of this Settlement Agreement. In addition, MBC agrees to pay one half

(\$20,000.00) of Breeze's obligation under a settlement agreement with Gulf Breeze Broadcasting Company (the "GBBC Agreement"), at the time and in the manner specified in the GBBC Agreement.

2. Request for FCC Approval.

Within five (5) days after the execution of this Settlement Agreement by both Parties, and subject to the execution of an agreement between MBC and Miller for the dismissal of Miller's application for a construction permit and not later than Friday, December 11, 1998, all of the parties to the Proceedings shall file a Joint Request for Approval of this Settlement Agreement with the FCC, together with such documents as are customarily necessary and/or appropriate to obtain such approval. Breeze specifically acknowledges and agrees that this Settlement Agreement is expressly conditioned upon the successful negotiation and execution, by not later than 11:59 p.m., CST, December 10, 1998, of an agreement with Miller for the dismissal of the Miller application. The Joint Request shall request (1) approval of this Settlement Agreement, (2) dismissal of the Breeze and Miller applications, and (3) grant of the MBC application (if and as amended), each of which shall be contingent upon FCC approval of the two other requests. In this connection, Breeze agrees that (1) MBC may amend the technical portion of its application to specify the transmitter sites and facilities specified in either of the Breeze or Miller applications and (2) the approval of any such technical amendment, or any other amendment MBC deems necessary or appropriate to secure the approval of or to carry out this Settlement Agreement, shall be subsumed in the Joint Request for Approval.

3. Cooperation of the Parties.

The Parties agree to vigorously support and defend the Joint Request and do all things necessary and appropriate to obtain approval thereof. The Parties further agree that none of them

will do or permit to be done anything which would delay or impede the approval of this Settlement Agreement, the acceptance of any amendments to MBC's application, or the grant of MBC's application.

4. **Escrow Account.**

Within three (3) business days after this Settlement Agreement becomes effective (i.e., the date when settlement agreements have been executed by all parties to the Proceedings), MBC will deposit the sum of \$100,000.00 in an Escrow Account at Southern Financial Bank, Herndon, Virginia, to be held by counsel for the Parties as Joint Escrow Agents in accordance with the Escrow Agreement attached hereto. The funds thus deposited shall remain in escrow, with interest thereon accruing to the benefit of MBC, until paid to Breeze in accordance with this Settlement Agreement or until this Settlement Agreement is otherwise terminated. If MBC fails to make the required deposit, Breeze may terminate this agreement.

5. **Payment Procedures.**

The payment contemplated by Paragraph 1 of this Settlement Agreement shall be made by bank cashier's check or wire transfer, in accordance with instructions given by Breeze, within ten (10) business days after the FCC's order approving this Settlement Agreement, dismissing the Breeze and Miller applications, and granting MBC's application shall have become final, meaning that no petition for reconsideration, application for review or appeal has been filed, and the time for filing such petitions, applications for review or appeals has expired.

6. Entire Agreement.

This Settlement Agreement constitutes the entire understanding among the Parties, and no other consideration, action or forbearance is contemplated or relied on by them. This Settlement Agreement incorporates and supersedes any and all agreements, whether oral or written, among the named Parties, including the Operating Agreement entered into pursuant to the previous settlement agreement between MBC and Breeze, and may be amended only by a further written instrument executed by both Parties.

7. Assignment; Benefit.

This Settlement Agreement shall inure to the benefit of and be binding upon the Parties, their successors and assigns. MBC may assign its rights under this Settlement Agreement and, while such assignment shall not relieve MBC of any liability under this Agreement, Breeze agrees to accept performance of this Settlement Agreement by any such assignee as performance by MBC.

8. Termination.

(a) If, by 11:55 p.m. CST, Thursday, December 10, 1998, MBC shall not have entered into a binding and definitive written agreement with Miller for the dismissal of the Miller application, MBC shall notify Breeze of the the failure to conclude such an agreement and, thereafter, either party to this agreement, not being then in default under any of the provisions hereof, may, within ten (10) days from the date of such notice, terminate this agreement by written notice to the other party and neither party shall thereafter have any obligation to the other under this Agreement.

(b) If the FCC shall not have approved this Settlement Agreement, dismissed the Breeze and Miller applications, and granted MBC's application within six (6) months from the effective date of this Settlement Agreement, either Breeze or MBC or its assignee shall have the right to terminate

this agreement and, upon such termination, MBC shall be entitled to receive all funds held in escrow pursuant to this agreement and the Escrow Agreement.

9. **Counterparts.**

This Settlement Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

10. **Notices.**

Any notices required by this Settlement Agreement shall be effective if sent by certified mail, return receipt requested, as follows:

If to MBC:

Richard C. Dean, President
Maranatha Broadcasting Company, Inc.
300 East Rock Road
Allentown, PA 18103

cc: J. Geoffrey Bentley
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

If to Breeze:

Breeze Broadcasting Company, Ltd.
c/o William H. Phillips, General Partner
19 Caisson Terrace
Spanish Fort, AL 36527

cc: Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place
Washington, D.C. 20036

12. Specific Performance.

The Parties agree that, in addition to and not in lieu of any other remedy available at law or in equity, the remedy of specific performance shall be available in any action for breach of this Settlement Agreement.

IN WITNESS WHEREOF, The Parties have set their hands and seals.

MARANATHA BROADCASTING
COMPANY, INC.

By 

Richard C. Dean, President

Date: 12-8-98

J. MCCARTHY MILLER

Date: _____

FROM : MILLER*COMM*FAX**

J PHONE NO. : 850 4559643

Dec. 08 1998 09:36AM P2

SENT BY:

12- 8-98 : 9:59 :

DONELAN CLEARY-

850 4559643:# 8/17

Dec-07-98 17:01 BENTLEY LAW OFFICE

703-793-4978

P.04

12. Specific Performance.

The Parties agree that, in addition to and not in lieu of any other remedy available at law or in equity, the remedy of specific performance shall be available in any action for breach of this Settlement Agreement.

IN WITNESS WHEREOF, The Parties have set their hands and seals

MARANATHA BROADCASTING
COMPANY, INC.

By _____

Richard C. Dean, President

Date: _____

J. MCCARTHY MILLER

Date: Dec 8, 1998

J. McCarthy Miller

ESCROW AGREEMENT

This ESCROW AGREEMENT, effective December __, 1998, is made by and among:

SELLER: J. McCarthy Miller
ADDRESS: 606 Silvershore Drive
Pensacola, FL 32507

BUYER: Maranatha Broadcasting Company, Inc.
ADDRESS: 300 East Rock Road
Allentown, PA 18103

ESCROW AGENTS: Donald J. Evans, Esq., and J. Geoffrey Bentley,
P.C.

ADDRESS: Donald J. Evans, Esq.
Donelan Cleary Wood & Maser, L.P.
1100 New York Ave., N.W., Suite 750
Washington, D.C. 20005

and

J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

WITNESSETH:

WHEREAS, Buyer and Seller have entered into a Settlement Agreement (hereinafter the "Agreement"), of even date herewith, with respect to the settlement of the proceeding before the Federal Communications Commission ("FCC") concerning their respective mutually exclusive applications for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida, and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Agreement;

NOW, THEREFORE, in consideration of the premises, promises and mutual covenants herein, the parties hereby agree as follows:

1. **Deposit of Escrow Funds.** Concurrent with the execution of this Escrow Agreement, Buyer has delivered to the Escrow Agents the sum of One Hundred Thousand Dollars (\$100,000). Such sum is referred to hereinafter as the "Deposit." The Agreement also provides, under certain circumstances described therein, for the subsequent deposit of the sum of \$233,333.33, hereinafter the "Purchase Price Balance", in the Escrow Account (as hereinafter defined). The Deposit, any subsequent deposits, including the Purchase Price Balance, and the accumulated interest thereon, shall hereinafter be referred to as the "Escrowed Funds."

2. **Investment of Escrow Fund.** The Escrow Agents shall invest and reinvest Escrowed Funds in an interest-bearing, federally-insured account (the "Escrow Account") at Southern Financial Bank, in Herndon, Virginia. The Escrow Agents shall hold the Escrowed Funds, and the proceeds therefrom, in the Escrow Account and dispose of the same as hereinafter provided. Buyer and Seller acknowledge that FDIC insurance is limited to One Hundred Thousand Dollars (\$100,000). Buyer and Seller further acknowledge that J. Geoffrey Bentley, P.C. is counsel to Buyer and that Donald J. Evans is counsel to Seller in connection with the FCC proceedings that are the subject of the Settlement Agreement and each agrees that in the event of a controversy as described in Paragraph 4 hereof each of the Escrow Agents may continue to represent his client in respect to (1) the Settlement Agreement; (2) any dispute under this Agreement or the Settlement Agreement, and/or (3) any further proceedings before the FCC concerning the parties' applications.

3. **Disposition of Escrowed Funds.** The Escrow Agents shall distribute and dispose of the Escrowed Funds as follows:

(a) In the event the Settlement Agreement is approved by the FCC in the manner contemplated in the Settlement Agreement, the principal amount of the Deposit and the Purchase Price Balance shall be paid over to the Seller in accordance with Paragraph 5 of the Settlement Agreement. In such event, all interest earned and accumulated thereon and proceeds therefrom shall be paid over to Buyer.

(b) In the event the Settlement Agreement is not approved by the FCC as contemplated in the Settlement Agreement because of a termination of the Settlement Agreement under the provisions of Paragraph 8 thereof, then the principal amount of the Deposit shall be paid over to Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(c) In all other events, the Escrowed Funds shall be disbursed to Buyer and Seller in accordance with the joint written instructions of Buyer and Seller.

(d) If any provision of this paragraph with respect to the disposition of the Deposit or any other part of the Escrowed Funds is in conflict with any provision of the Settlement Agreement with respect to such disposition, then such provision in the Settlement Agreement shall prevail.

4. **Controversies with Respect to Escrow.** The Escrow Agents shall discharge their duties to dispose of the Escrowed Funds, or any portion thereof, in accordance with the provisions of paragraph 3 above upon the joint written instructions of Seller and Buyer or their duly designated representatives. If a controversy shall exist between Buyer and Seller as to the correct disposition of any portion of the Escrowed Funds and the Escrow Agents either have not received joint written instructions from Seller and Buyer or have received conflicting demands with respect to the disposition of any portion of the

Escrowed Funds, the Escrow Agents may (i) continue to hold the Escrowed Funds, or the disputed portion thereof, and the income earned or accrued thereon until the Escrow Agents' first receipt of a certified copy of an arbitrator's award pursuant to paragraph 5 hereof or a final order entered by a court of competent jurisdiction enforcing the arbitrator's ruling as to the disposition of the Escrowed Funds and the income earned thereon, or (ii) deposit the Escrowed Funds, or the disputed portion thereof, with a court of competent jurisdiction by the filing of an interpleader action. Buyer and Seller agree each to pay one half of the Escrow Agents' costs incurred in connection with such action, including reasonable attorney's fees, which the Escrow Agents may expend or incur in any such interpleader suit, the amount of such costs to be fixed and judgment therefore to be rendered by the court in such suit. Upon the filing of the interpleader action and the payment of the Escrowed Funds (or the disputed portion thereof) and all interest earned thereon into the registry of the court, the Escrow Agents shall be fully released and discharged from all obligations imposed on them in this Agreement.

5. **Concerning Binding Arbitration.** In the event of any dispute, claim, or controversy between the parties to this Agreement with respect to or arising out of this Agreement, it is agreed that such dispute, claim, or controversy shall be submitted to binding arbitration in the State of Virginia under such rules, guidelines, and procedures as shall be established by mutual agreement among the parties or, if the parties are unable to agree on rules, guidelines, and procedures within five (5) days of either the Buyer or Seller giving notice of intention to arbitrate a matter, then the arbitration shall proceed under the commercial rules then prevailing of the American Arbitration Association except that the parties shall have the right to conduct all discovery available to parties in a civil action as provided in the Federal Rules of Civil Procedure with the exception that the time limits for such discovery shall be determined by the arbitrator. The parties agree that the arbitration shall not include any award for punitive damages and that

no judgment shall be entered by the arbitrator concerning punitive damages. In the event of a dispute over the entitlement of Buyer or Seller to the Deposit, the prevailing party's costs and expenses incurred in connection with such dispute (including, but not limited to, reasonable attorneys' fees and arbitrator's fees) shall be borne by the non-prevailing party. The decision of the arbitrator shall be final and binding on all parties hereto, and shall not be subject to judicial review, provided, however, that any award or determination rendered by the arbitrator may be entered or enforced in any court of competent jurisdiction.

6. Concerning the Escrow Agents. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agents:

(a) Except as otherwise provided in this agreement, any fees for services rendered by the Escrow Agents in the performance of their duties under this agreement shall be borne by the party for whom the Escrow Agent serves as counsel. The Escrow Agents shall be reimbursed for all reasonable expenses, disbursements and advancements incurred or made by the Escrow Agents in performance of their duties hereunder; one half of any such expenses, disbursements and advances shall be paid by Buyer and one half by Seller.

(b) The Escrow Agents may resign and be discharged from their duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after the giving of such notice. If the parties hereto are unable to agree upon a successor escrow agent within thirty (30) days after such notice, the Escrow Agents shall be authorized to appoint their successor. The

Escrow Agents shall continue to serve until their successor accepts the escrow by written notice to the parties hereto and the Escrow Agents deposit the escrow fund with such successor escrow agent.

(c) The Escrow Agents undertake to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature believed by them to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agents shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof.

(d) The Escrow Agents shall not be liable for any action taken or omitted by them in good faith and believed by them to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by them in good faith, or in accordance with advice of counsel and shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by their own misconduct or gross negligence.

(e) Buyer and Seller agree to indemnify the Escrow Agents and hold them harmless against any and all liabilities incurred by them hereunder as a consequence of such party's action, and Buyer and Seller agree jointly to indemnify the Escrow Agents and hold them harmless against any and all liabilities incurred by them hereunder which are not a consequence of any party's actions, except in the case of liabilities incurred by the Escrow Agents resulting from their own misconduct or gross negligence.

(f) The Escrow Agents act hereunder as a depository only, and are not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash or security deposited with them.

7. **Miscellaneous.**

(a) This Escrow Agreement shall be construed by and governed in accordance with the substantive law of the State of Virginia, including its law with respect to conflicts of law, and any action to enforce or interpret the provisions of this Settlement Agreement shall be brought exclusively in the courts of Fairfax County, Virginia.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) All notices, requests, demands and other communication hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, return receipt requested) as follows:

If to Buyer:	Richard C. Dean President Maranatha Broadcasting Company, Inc. 300 East Rock Road Allentown, PA 18103
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with a copy (which shall not constitute notice) to:

J. Geoffrey Bentley, Esq.
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172-0807

If to Seller:

J. McCarthy Miller
606 Silvershore Dr.
Pensacola, FL 32507

with a copy (which shall not constitute notice) to:

Donald J. Evans, Esq.
Donelan Cleary Wood & Maser, L.P.
1100 New York Ave., N.W., Suite 750
Washington, D.C. 20036

If to Escrow Agents:

Donald J. Evans, Esq.
Donelan Cleary Wood & Maser, L.P.
1100 New York Ave., N.W., Suite 750
Washington, D.C. 20036

and

J. Geoffrey Bentley, Esq.
J. Geoffrey Bentley, P.C.
P.O. Box 807
Herndon, VA 20172

or to such other addresses as any party may have furnished to the other in writing, in accordance herewith.

8. Termination. This Escrow Agreement shall automatically terminate upon the distribution of the Deposit in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

MARANATHA BROADCASTING COMPANY, INC.
("Buyer")

By: 

Richard C. Dean, President

SENT BY:

FROM : MILLER*COMM#FAX##

12- 8-98 : 18:12 :

DONELAN CLEARY-

703 793 4978:# 2/ 3

J PHONE NO. : 850 4559643

Dec. 08 1998 09:36AM P1

SENT BY:

MSC-U/-98 16:45

12- 8-98 : 10:04 :

BENTLEY LAW OFFICE

DONELAN CLEARY-

703-793-4978

650 458043:117/17

P.11

J. MCCARTHY MILLER ("Seller")

J. McCarthy Miller
12/8/98

J. GEOFFREY BENTLEY, P.C. ("Escrow Agent")

By

J. Geoffrey Bentley, President

DONALD J. EVANS ("Escrow Agent")

W713465

DECLARATION OF RICHARD C. DEAN

Richard C. Dean, under penalty of perjury under the laws of the United States of America, hereby declares:

1. I am President of Maranatha Broadcasting Company, Inc. ("MBC"), applicant for a construction permit for a new FM broadcast station on Channel 291A at Gulf Breeze, Florida.

2. This Declaration is made in connection with an Amended Joint Request for Approval of Agreements by MBC, Breeze Broadcasting Company, Ltd. ("Breeze"), and J. McCarthy Miller ("Miller"), each of which is also an applicant for a construction permit on Channel 291A at Gulf Breeze.

3. MBC has entered into separate settlement agreements with Breeze and Miller which contemplate the dismissal of the Breeze and Miller applications and grant of MBC's application, in exchange for consideration consisting of, in the case of Breeze, payment of the sum of \$333,333.33 to Breeze, and assumption of one-half (\$20,000.00) of Breeze's liability under a previously-approved settlement agreement with Gulf Breeze Broadcasting Company, and, in the case of Miller, payment of the sum of \$333,333.33. Except as set forth in the settlement agreements filed as part of the Amended Joint Request, MBC has not paid or promised pay money or any other consideration of any kind or nature whatsoever to Breeze or Miller or any other individual or entity in connection with the dismissal of the Breeze and Miller applications.

4. MBC's application for Gulf Breeze was filed in absolute good faith and not for the purpose of entering into a settlement agreement.

5. The public interest will be served by approval of these settlement agreements because approval will (1) remove the uncertainty of further litigation, (2) conserve the resources of the parties

and the FCC, and (3) speed the implementation of the first FM broadcast service licensed to Gulf Breeze.

The facts stated in this Declaration are true of my personal knowledge, except those which are supported by other sources or of which official notice may be taken, or where stated to be on information and belief, and as to those facts I believe them to be true.

RICHARD C. DEAN

A handwritten signature in black ink, appearing to read "Richard C. Dean", written over a horizontal line.

December 10, 1998

DECLARATION

William H. Phillips declares as follows:

1. I am a general partner of BREEZE BROADCASTING COMPANY, LTD. ("Breeze"), which has filed an application for a new FM station on Channel 237A (subsequently amended to Channel 291A) in Gulf Breeze, Florida. Also pending before the FCC are applications of Maranatha Broadcasting Company, Inc. ("Maranatha") and J. McCarthy Miller for a new FM station to serve the same city on the same channel.

2. Because the previous settlement agreement between the parties was not approved, Breeze and Maranatha have entered into the attached Settlement Agreement in order to terminate the litigation over the Gulf Breeze channel and facilitate the introduction of a new FM service to the public.

3. The Settlement Agreement is the only agreement between the parties with respect to their respective applications for the new FM station in Gulf Breeze.

4. Except as set forth in the Settlement Agreement, there is no operative agreement between Breeze and Maranatha for the payment, or promise of payment, of any sum of money or other valuable consideration for the dismissal of the Breeze application.

5. The application of Breeze was not filed for the purpose of reaching or carrying out a settlement agreement.

6. The public interest will be served by the approval of the Settlement Agreement, the dismissal of the Breeze application, and the grant of the Maranatha application because it will expedite provision of a new FM service to Gulf Breeze.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Dated this 11th day of December, 1998.



William H. Phillips

DECLARATION OF J. MCCARTHY MILLER

I, J. McCarthy Miller, an applicant for an FM radio station to serve Gulf Breeze, FL ("the Station"), hereby declare under penalty of perjury as follows:

1. I am a sole proprietorship.
2. My application for the Station was not filed for the purpose of reaching or carrying out an agreement with any other applicant regarding the dismissal or withdrawal of my application.
3. The Supplemental Settlement Agreement between me and Maranatha Broadcasting Company, Inc. ("Maranatha") sets forth the complete agreement between me and Maranatha. Other than as set forth in the agreement, no consideration has been promised or paid to me in return for the dismissal of my application.
4. I believe that approval of the Supplemental Settlement Agreement is in the public interest. The agreement resolves a comparative proceeding which has languished at the Commission since 1984, and, absent a settlement, would drag on for additional years. The proposed settlement will also speed the provision of a first FM service to Gulf Breeze, the community adjacent to my community.
5. I declare under penalty of perjury that the foregoing statement is true and correct to the best of my knowledge and belief.


J. McCarthy Miller Date Dec. 9, 1998

CERTIFICATE OF SERVICE

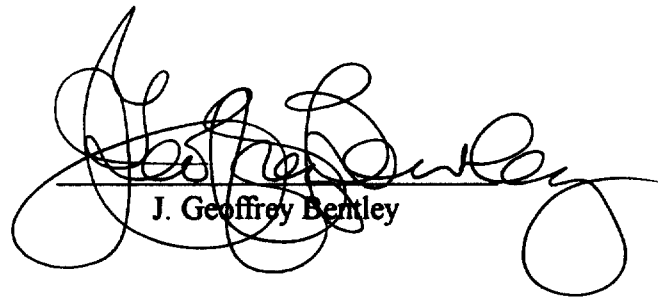
I hereby certify that, this 11th day of December 1998, I caused a copy of the foregoing Amended Joint Request for Approval of Agreements to be served, by first-class United States mail, postage prepaid, on the following:

Barry D. Wood, Esq.
Wood, Maines & Brown, Chartered
1827 Jefferson Place, N.W.
Washington, D.C. 20036
Counsel for Breeze Broadcasting Co., Ltd.

Donald J. Evans, Esq.
Donelan, Cleary, Wood & Maser
1100 New York Ave., N.W.
Washington, D.C. 20005
Counsel for J. McCarthy Miller

and by hand on:

James Shook, Esq.
Federal Communications Commission
2025 M Street, N.W., Room 8210
Washington, D.C. 20036


J. Geoffrey Bentley